

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION**

In re:

Peabody Energy Corporation, et al.,
Debtors.¹

Case No. 16-42529
CHAPTER 11

(Joint Administration Requested)

Hearing Date and Time:
TBD

Hearing Location:
TBD

**MOTION OF THE DEBTORS AND DEBTORS IN POSSESSION, PURSUANT TO
SECTIONS 105(a), 363 AND 364 OF THE BANKRUPTCY CODE, FOR INTERIM AND
FINAL ORDERS (I) AUTHORIZING THE DEBTORS TO MAINTAIN, CONTINUE
AND RENEW THEIR SURETY BOND PROGRAM AND (II) GRANTING CERTAIN
RELATED RELIEF**

Peabody Energy Corporation ("PEC") and certain of its direct and indirect subsidiaries, as debtors and debtors in possession (collectively, the "Debtors"), hereby move this Court, pursuant to sections 363 and 364 of title 11 of the United States Code (the "Bankruptcy Code"), for the entry of interim and final orders authorizing, but not directing the Debtors to: (a) maintain, continue and renew their Surety Bond Program (as defined below) without interruption and in accordance with the same practices and procedures employed before the Petition Date, including, but not limited to, the maintenance of collateral; and (b) perform all other actions necessary to implement the relief requested, including, but not limited to, effecting postpetition fund transfers in replacement of any fund transfer requests that are dishonored as a

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The Debtors and their employer identification numbers are listed on Schedule 1 attached hereto. The addresses for each of the Debtors are set forth in the Debtors' chapter 11 petitions.

consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with the Surety Bond Program, and in support thereof, respectfully represent as follows:²

Jurisdiction and Venue

1. This Court has subject matter jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334 and Rule 81-9.01(B)(1) of the Local Rules of the United States District Court for the Eastern District of Missouri. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

Background

2. On April 13, 2016 (the "Petition Date"), the Debtors commenced their reorganization cases by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors are authorized to continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. Debtor PEC is a Delaware corporation headquartered in St. Louis, Missouri. PEC was incorporated in 1998 and became a public company in 2001. Each of the other Debtors is a wholly-owned direct or indirect subsidiary of PEC.

4. PEC is the world's largest private-sector coal company (by volume), with 26 active coal mining operations located in the United States and Australia. The Debtors' domestic mines produce and sell thermal coal, which is primarily purchased by electricity generators. PEC's Australian operations mine both thermal and metallurgical coal, a majority of which is exported to international customers. As of December 31, 2015, Debtor PEC and its subsidiaries' property holdings include 6.3 billion tons of proven and probable coal reserves and

² Copies of the proposed orders will be made available on the Debtors' case website at <http://www.kccllc.net/peabody>.

approximately 500,000 acres of surface property through ownership and lease agreements. In the United States alone, as of December 31, 2015, the Debtors held an estimated 5.5 billion tons of proven and probable coal reserves, and the Debtors generated sales of approximately 180 million tons of coal. In addition to its mining operations, the Debtors market and broker coal from other coal producers across the United States, Australia, Europe and Asia.

5. The Debtors operate in a competitive and highly regulated industry that has experienced strong headwinds and precipitously declining demand and pricing in recent years due to the rise of low priced alternative energy sources – including an abundance of natural gas. Combined with these factors, slowing global economic growth drove a wide range of goods prices lower in 2015 and resulted in the largest broad market decline since 1991. Indeed, demand from electric utilities in the United States alone declined approximately 110 million tons in 2015. These market conditions, in connection with lower realized pricing in the United States and Australia, resulted in a 21.0 million ton decline in the Debtors' and their non-debtor subsidiaries' coal sales during 2015. As a result of these challenges, several large United States coal companies have filed for chapter 11 protection in recent years.

6. A comprehensive description of the Debtors' businesses and operations, capital structure and the events leading to the commencement of these chapter 11 cases can be found in the Declaration of Amy Schwetz, Executive Vice President and Chief Financial Officer of Debtor PEC, in Support of First Day Motions of Debtors and Debtors in Possession (the "First Day Declaration"), which was filed contemporaneously herewith and is incorporated herein by reference.

Facts Relevant to this Motion

Background Regarding the Debtors' Surety Bond Program

7. The Debtors, in the ordinary course of their businesses and on a regular basis, are required to provide surety bonds, either through third-party surety bond providers (the "Third-Party Surety Bonds") or under certain self-bonding guidelines (the "Self-Bonding Privileges" and, with the Third-Party Surety Bonds, the "Surety Bonds"), to various third parties to secure the Debtors' payment or performance of certain obligations (the "Surety Bond Program"). In particular, the Debtors commonly (although not exclusively) provide Surety Bonds to governmental units or other public or regulatory agencies (collectively, the "Governmental Authorities") pursuant to statutory requirements. The Debtors provide Surety Bonds to secure obligations to various entities, including municipalities, state and federal Governmental Authorities and contractual counterparties. Attached as Exhibit A hereto is a schedule identifying, with respect to each of the Surety Bonds, (a) the obligee (collectively, the "Obligees"), (b) the issuer (collectively, the "Issuers"), (c) the identification number for the Surety Bond, (d) the purpose of the Surety Bond and (e) the amount of the Surety Bond.³

8. As discussed in greater detail below, the Debtors' total Surety Bond Program is comprised of bonds totaling \$1.8 billion. Approximately \$538.0 million of those bonds are Third-Party Surety Bonds. Approximately \$1.15 billion of those bonds are self-bonds issued under the Debtors' Self-Bonding Privileges.

9. It is critical to the Debtors' continued operations that they maintain the Surety Bond Program. The failure to provide, maintain and timely replace the Surety Bonds may

³ The schedule attached hereto as Exhibit A is intended to be exhaustive but may inadvertently omit certain Surety Bonds. The Debtors intend that the relief requested herein apply to all of their Surety Bonds and reserve the right to supplement the schedule, if necessary.

jeopardize the Debtors' businesses by causing them to be in violation of applicable law, preventing them from continuing mining operations and disrupting the provision of benefits to their employees, among other things.

The Debtors' Third-Party Surety Bonds

10. As of March 31, 2016, the Debtors had approximately \$538.0 million in outstanding Third-Party Surety Bonds. Approximately \$337.4 million in aggregate amount of the Third-Party Surety Bonds have been provided by the Debtors to various Governmental Authorities to secure certain reclamation obligations of the Debtors (the "Reclamation Obligations") in relation to their mining operations, especially those operations that are surface mining operations. Other categories of Third-Party Surety Bonds issued on behalf of the Debtors include (but are not limited to) lease bonds, prospecting bonds, road bonds, performance bonds and workers' compensation bonds.

11. The Debtors pay premiums (the "Bond Premiums") for the Third-Party Surety Bonds, which premiums generally are determined annually and are paid by the Debtors to the Issuers of the Surety Bonds at or near inception and annually thereafter during the month of renewal. The Debtors currently pay approximately \$5.1 million in annual Bond Premiums. The Debtors estimate that, as of the Petition Date, they owe approximately \$1.3 million in unpaid Bond Premiums.

12. In addition, the Debtors are party to a number of agreements (collectively, the "Indemnity Agreements"), pursuant to which the Debtors are required to indemnify the applicable Issuer as a condition to the issuance of the bond. Pursuant to the Indemnity Agreements, the Debtors have generally agreed to indemnify the Issuers and certain related parties from any loss, cost, damage or expense they may incur by reason of their execution of any Surety Bonds on behalf of the Debtors. By this Motion, the Debtors seek the authority, but

not the obligation, to perform all actions necessary or appropriate to honor the Indemnity Agreements.

13. As of March 31, 2016, in connection with the Third-Party Surety Bonds and the Indemnity Agreements, the Debtors have posted collateral with the applicable Issuers, typically ranging in value from around 30% to 50% of the face amounts of the bonds (although certain issuers have required that the Debtors post no collateral at all or as much as 100% of the face amount of the bonds). In the aggregate, the Debtors have provided collateral in an amount of approximately \$190.1 million in support of their Surety Bonds, or approximately 35.3% on average. This collateral is posted, for certain Surety Bonds, in the form of cash, and for others in the form of letters of credit, issued under the Debtors' prepetition secured credit agreement or the Debtors' prepetition accounts receivable securitization facility and cash.⁴

14. Further, to assist the Debtors in procuring the Third-Party Surety Bonds and managing the Surety Bond Program, the Debtors employ Aon Risk Services Central, Inc. ("Aon"). To compensate Aon for its services related to the Surety Bond Program, the Debtors pay Aon approximately \$200,000 in yearly fees (the "Aon Fees"). The Debtors believe that no amounts are owing on the Aon Fees as of the Petition Date.

The Debtors' Self-Bonding Privileges

15. In addition to the Third-Party Surety Bonds, the Debtors also secure their Reclamation Obligations through their Self-Bonding Privileges, which are established by self-

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A detailed description of the Debtors' accounts receivable securitization program and facility is set forth in the Motion of the Debtors and Debtors in Possession, Pursuant to Sections 105, 362(d), 363(b)(1), 363(f), 363(m), 364(c)(1), 364(c)(2), 364(d), 364(e) and 365 of the Bankruptcy Code for Entry of Interim and Final Orders: (I) Authorizing Certain Debtors to Continue Selling and Contributing Receivables and Related Rights Pursuant to a Securitization Facility; (II) Modifying the Automatic Stay; and (III) Granting Related Relief (the "ARS Motion"), filed contemporaneously herewith.

bonding programs maintained by certain states in which the Debtors operate.⁵ Pursuant to the Self-Bonding Privileges, each applicable Debtor has issued one or more bonds to secure that Debtor's Reclamation Obligations, and each such bond is supported by a guarantee issued by Debtor Peabody Investments Corp. In certain circumstances, the applicable states' self-bonding programs allow for or require adjustments in the amount in which the Debtors are authorized to self-bond. As of March 31, 2016, the Debtors are authorized, pursuant to their Self-Bonding Privileges, to self-bond in the applicable states with respect to approximately \$1.15 billion in aggregate Reclamation Obligations. If the Debtors lose their current Self-Bonding Privileges, they would be required to secure their Reclamation Obligations in another manner, possibly by obtaining additional Third-Party Surety Bonds.

16. It is essential to the Debtors' operations that they maintain their Surety Bond Program on an ongoing and uninterrupted basis. The non-payment of obligations under the Surety Bond Program could result in one or more of the Issuers attempting to terminate, declining to renew or refusing to enter into Third-Party Surety Bonds with the Debtors in the future, or one or more Governmental Authorities seeking to terminate the Debtors' Self-Bonding Privileges. If any Surety Bonds lapse without renewal, or if the Debtors are unable to self-bond or obtain new Third-Party Surety Bonds for certain purposes, the Debtors could default on various obligations, which could severely disrupt the Debtors' operations and impair the Debtors' prospects for a successful reorganization to the detriment of all parties in interest. Moreover, any failure by the Debtors to maintain their Third-Party Surety Bonds or continue the self-bonding required to secure certain specific obligations, such as the Debtors' reclamation obligations or pursuant to their workers' compensation insurance programs, could cause the Debtors to default

⁵ The Debtors enjoy Self-Bonding Privileges in Illinois, Indiana, New Mexico and Wyoming.

on their obligations to the applicable Governmental Authorities and could contravene the provisions of federal or state law, including, in particular, the Surface Mining Control and Reclamation Act. Furthermore, the inability to secure a Surety Bond and the related Indemnity Agreement may require the Debtors to purchase insurance coverage at greater expense to the Debtors' estates.

17. To provide the financial assurances to third parties that are required for the Debtors to continue business operations during these chapter 11 cases, the Debtors must maintain their existing Surety Bond Program and may need additional bonding capacity not currently provided under the Surety Bond Program. Accordingly, to operate their businesses, the Debtors must maintain their Surety Bond Program, including by renewing or replacing, as necessary, existing Surety Bonds and maintaining collateral and self-bonding arrangements.

Argument

Surety Bond Program Transactions Are Within the Ordinary Course of Business

18. Pursuant to section 363(c) of the Bankruptcy Code, a debtor, as debtor in possession, is authorized to "enter into transactions . . . in the ordinary course of business without notice or a hearing, and may use property of the estate in the ordinary course without notice or a hearing." 11 U.S.C. § 363(c)(1). Section 363(c) "stri[k]es the optimal balance between the interests of the debtor and the creditors" to "serve the 'overriding goal of maximizing the value of the estate.'" Habinger, Inc. v. Metro. Cosmetic & Reconstructive Surgical Clinic, P.A., 124 B.R. 784, 786 (D. Minn. 1990) (quoting United States ex rel. Harrison v. Estate of Deutscher (In re H&S Transp. Co.), 115 B.R. 592, 599 (M.D. Tenn. 1990)). "The ordinary course of business standard is intended to allow a debtor the flexibility it needs to run its business and respond quickly to changes in the business climate." Habinger, 124 B.R. at 786 (internal quotation marks omitted).

19. The Bankruptcy Code does not define "ordinary course of business."

However, bankruptcy courts within the Eighth Circuit have held that a transaction qualifies as "ordinary course" if it: (a) "is of a type that is commonly undertaken within the debtor's industry," Peltz v. Gulfcoast Workstation Grp. (In re Bridge Info. Sys., Inc.), 293 B.R. 479, 486 (Bankr. E.D. Mo. 2003); and (b) is consistent with the reasonable expectations of creditors. Johnston v. First St. Cos. (In re Waterfront Cos.), 56 B.R. 31, 35 (Bankr. D. Minn. 1985). See also In re Bridge Info. Sys., Inc., 293 BR. at 486 (courts look to "whether interested parties would reasonably expect[] the particular debtor in possession to seek court approval before entering into the questioned transaction."). A "fundamental characteristic of an 'ordinary' post-petition business transaction is its similarity to a pre-petition business practice." In re Commercial Morg. & Fin., Co., 414 B.R. 389, 394 (Bankr. N.D. Ill. 2009) (citing Martino v. First Nat'l Bank of Harvey (In re Garofalo's Finer Foods, Inc.), 186 B.R. 414, 426 (N. D. Ill. 1995)). See also Comm. of Asbestos Litigants v. Johns-Manville Corp. (In re Johns-Manville Corp.), 60 B.R. 612, 617 (Bankr. S.D.N.Y. 1986) (finding that "the nature of the debtor's business prior to its Chapter 11 filing is compared to its course of conduct postpetition"). In determining whether a transaction is ordinary, two relevant factors are the type of business a debtor is engaged in as well as the size and nature of the business and transaction in question. In re H&S Transp. Co., 115 B.R. at 598.

20. Like other coal companies, the Debtors regularly continue and renew bonds and utilize self-bonding privileges as part of their Surety Bond Program in the ordinary course of their business. Indeed, such transactions are often mandated for coal companies under state and federal law. Because the Debtors anticipate entering into postpetition Surety Bond Program transactions that will be similar to those that the Debtors routinely entered into prior to

the Petition Date, the Debtors' continued engagement in these transactions is consistent with reasonable expectations of creditors.

21. Based on the foregoing, the Debtors believe that they may pay all postpetition amounts due pursuant to the Surety Bond Program and renew or obtain new Third-Party Surety Bonds, and continue utilizing their Self-Bonding Privileges, without notice and a hearing, as such actions are in the ordinary course of the Debtors' businesses. Nevertheless, the Debtors request that the Court enter an order expressly authorizing them to do so to:

- (a) eliminate any doubt on the part of any party, including Issuers, Obligees, third parties and financial institutions with respect to the Debtors' authority to continue such programs; and
- (b) encourage Issuers not to attempt to terminate or decline to renew the Third-Party Surety Bonds, or refuse to enter into Third-Party Surety Bonds with the Debtors in the future.

Continuing the Surety Bond Program Is in the Best Interests of the Debtors' Estates

22. Alternatively, if the Court determines that the Surety Bond Program is not within the ordinary course of the Debtors' businesses, then the Debtors request that the Court enter an order pursuant to section 363(b)(1) of the Bankruptcy Code authorizing the Debtors to continue the Surety Bond Program in the best interests of the Debtors' estates.

23. Section 363(b) of the Bankruptcy Code allows a debtor, after notice and hearing, to "use, sell, or lease, other than in the ordinary course of business, property of the estate." 11 U.S.C. § 363(b)(1). A debtor's decisions to use, sell or lease assets outside the ordinary course of business must be based upon a sound business purpose. See In re Channel One Commc'ns, Inc., 117 B.R. 493, 496 (Bankr. E.D. Mo. 1990) (citing Comm. of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.), 722 F.2d 1063, 1071 (2d Cir. 1983)). See also TLP Servs., LLC v. Stoeber (In re Polaroid Corp.), 460 B.R. 740, 741-42 (B.A.P. 8th Cir. 2011) (allowing a trustee, pursuant in part to section 363(b)(1), to use cash collateral to fund efforts to

recover funds from third parties); accord Comm. of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.), 722 F.2d 1063, 1070-71 (2d Cir. 1983) (requiring a "good business reason" to approve a sale pursuant to section 363(b)); In re W.A. Mallory Co. Inc., 214 B.R. 834, 836 (Bankr. E.D. Va. 1997) ("This Court follows the 'sound business purpose' test when examining § 363(b) sales.") (citing WBQ P'ship v. Va. Dep't of Med. Assistance Servs. (In re WBQ P'ship), 189 B.R. 97, 102 (Bankr. E.D. Va. 1995)); Official Comm. Of Unsecured Creditors of LTV Aerospace & Def. Co. v. LTV Corp. (In re Chateaugay Corp.), 973 F.2d 141, 143 (2d Cir. 1992) (holding that the sale of property of the estate is justified if it is supported by a good business reason); In re Ionosphere Clubs, Inc., 100 B.R. 670, 675 (Bankr. S.D.N.Y. 1989) (noting that the standard for determining a motion pursuant to section 363(b) of the Bankruptcy Code is "a good business reason").

24. Courts in this jurisdiction and others have consistently been reluctant to interfere with corporate decisions unless "it is made clear that those decisions are, inter alia, clearly erroneous, made arbitrarily, are in breach of the officers' and directors' fiduciary duty to the corporation, are made on the basis of inadequate information or study, are made in bad faith, or are in violation of the Bankruptcy Code." In re Farmland Indus., Inc., 294 B.R. 855, 881 (Bankr. W.D. Mo. 2003) (citing In re United Artists Theatre Co., 315 F.3d 217, 233 (3d Cir. 2003), Richmond Leasing Co. v. Capital Bank, N.A., 762 F.2d 1303, 1309 (5th Cir. 1985) and In re Defender Drug Stores, Inc., 145 B.R. 312, 317 (B.A.P. 9th Cir. 1992)). See also Crystalin, L.L.C. v. Selma Props., Inc. (In re Crystalin, L.L.C.), 293 B.R. 455, 463-64 (B.A.P. 8th Cir. 2003) (holding that the business judgment rule may be satisfied "'as long as the proposed action appears to enhance the debtor's estate.'") (quoting Four B. Corp. v. Food Barn Stores, Inc. (In re Food Barn Stores, Inc.), 107 F.3d 558, 567 n.16 (8th Cir. 1997) (emphasis in

original, internal quotations and alterations omitted)); Four B. Corp. v. Food Barn Stores, Inc. (In re Food Barn Stores, Inc.), 107 F.3d 558, 567 n.16 (8th Cir. 1997) (holding that "[w]here the [debtor's] request is not manifestly unreasonable or made in bad faith, the court should normally grant approval 'as long as the proposed action appears to enhance the debtor's estate'" (quoting Richmond Leasing Co. v. Capital Bank, N.A., 762 F.2d 1303, 1309 (5th Cir. 1985) (internal alterations and quotations omitted)); Official Comm. Of Subordinated Bondholders v. Integrated Res., Inc. (In re Integrated Res., Inc.), 147 B.R. 650, 656 (S.D.N.Y. 1992) (finding that "[c]ourts are loath to interfere with corporate decisions absent a showing of bad faith, self-interest, or gross negligence").

25. Because sound business reasons exist for the Debtors to maintain the Surety Bond Program, as described above, the Debtors request that the Court authorize them to pay all prepetition and postpetition amounts (including the Bond Premiums) due pursuant to the Surety Bond Program and maintain, renew, replace and obtain new Third-Party Surety Bonds, and continue utilizing their Self-Bonding Privileges, pursuant to section 363(b)(1) of the Bankruptcy Code (to the extent the Court determines that such bonds are not in the ordinary course of the Debtors' businesses). For the reasons discussed above, the Debtors submit that the continuation of the Surety Bond Program and the payment of prepetition and postpetition obligations arising under the Surety Bond Program (including the Bond Premiums) are essential to preserving the Debtors' businesses and preserving the value of the Debtors' estates for all creditors.

The Payment of the Prepetition Bond Premiums Is Appropriate Under Section 105(a) of the Bankruptcy Code and the Doctrine of Necessity

26. The Court may also authorize the Debtors to pay the prepetition amounts due in connection with the Surety Bond Program (including the Bond Premiums) pursuant to

section 105(a) of the Bankruptcy Code and the doctrine of necessity. Section 105(a) of the Bankruptcy Code empowers a bankruptcy court to issue "any order, process, or judgment that is necessary or appropriate to carry out the provisions of" the Bankruptcy Code. 11 U.S.C. § 105. The purpose of section 105 of the Bankruptcy Code is to ensure the bankruptcy court has the power to take whatever action "is appropriate or necessary in aid of the exercise of [its] jurisdiction." 2 Collier on Bankruptcy ¶ 105.01 (Alan N. Resnick & Henry J. Sommer eds., 16th ed. 2015). "Under [section 105 of the Bankruptcy Code,] the court can permit pre-plan payment of a pre-petition obligation when essential to the continued operation of the debtor." In re NVR L.P., 147 B.R. 126, 127 (Bankr. E.D. Va. 1992) (citing In re Ionosphere Clubs, Inc., 98 B.R. 174, 177 (Bankr. S.D.N.Y. 1989)).

27. In addition, under the "doctrine of necessity," courts allow the immediate payment of prepetition claims where such payment is essential to the debtor's continued operations. See In re Wehrenberg, Inc., 260 B.R. 468 (Bankr. E.D. Mo. 2001) ("Pursuant to 11 U.S.C. § 105(a) the Court may authorize the payment of prepetition claims when such payments are necessary to the continued operation of the Debtor"); In re United Am., Inc., 327 B.R. 776, 782 (Bankr. E.D. Va. 2005) (acknowledging the existence of the doctrine of necessity "because otherwise there will be no reorganization and no creditor will have an opportunity to recoup any part of its prepetition claim"); accord In re Boston & Me. Corp., 634 F.2d 1359, 1382 (1st Cir. 1980) (recognizing the existence of a judicial power to authorize trustees to pay claims for goods and services that are indispensably necessary to the debtors' continued operation). For the reasons discussed above, the Debtors submit that payment of prepetition amounts owed in connection with the Surety Bond Program (including the Bond Premiums) is necessary to avoid

immediate and irreparable harm and is justified under section 105(a) of the Bankruptcy Code and the doctrine of necessity.

The Surety Bond Program May Be an Authorized Secured Extension of Credit

28. Section 364(c) of the Bankruptcy Code permits a debtor unable to obtain unsecured credit in the ordinary course of business under section 364(a) of the Bankruptcy Code to obtain credit (a) with priority over any or all administrative expenses specified in sections 503(b) or 507(b) of the Bankruptcy Code, (b) secured by a lien on property of the estate that is not otherwise subject to a lien or (c) secured by a junior lien on property of the estate that is subject to a lien. To obtain secured credit on a postpetition basis, a debtor must demonstrate "by a good faith effort that credit was not available" to the debtor on an unsecured or administrative expense basis. Bray v. Shenandoah Fed. Sav. & Loan Ass'n (In re Snowshoe Co.), 789 F.2d 1085, 1088 (4th Cir. 1986) (affirming lower court's approval of a loan made to the debtor under section 364(d) of the Bankruptcy Code). See also In re Ames Dept. Stores, Inc., 115 B.R. 34, 37 (Bankr. S.D.N.Y. 1990) (debtor must demonstrate inability to obtain unsecured credit to acquire approval of loan under section 364(c)). In making this showing, the Bankruptcy Code "imposes no duty to seek credit from every possible lender before concluding that such credit is unavailable." In re Snowshoe Co., 789 F.2d at 1088. See also In re Ames Dept. Stores, 115 B.R. at 40 (to obtain relief under section 364(c), "a debtor is not required to seek credit from every possible source"). Courts grant a debtor considerable deference in exercising its sound business judgment to obtain such credit, provided that the agreement is consistent with the provisions of, and policies underlying the Bankruptcy Code. See In re Farmland Indus., Inc., 294 B.R. at 879-81 (court may consider debtor's business judgment, among other things, in determining whether to approve postpetition financing under section 364).

29. As set forth above, the Debtors believe that it would be difficult to obtain new bonding capacity on an unsecured basis at this time. To the extent the continuation of the Debtors' Surety Bond Program is deemed a secured extension of credit, the Debtors request authority to renew, replace or secure new Surety Bonds pursuant to section 364(c) of the Bankruptcy Code. The Debtors further submit that, pursuant to section 364(e) of the Bankruptcy Code, any reversal or modification on appeal of this authorization to obtain credit under section 364 of the Bankruptcy Code should not affect the validity of the debt incurred or any priority of a lien granted.

30. Relief similar to the relief requested herein has been granted by courts in this and other districts in chapter 11 cases involving coal companies. See, e.g., In re Arch Coal, Inc., No. 16-40120 (Bankr. E.D. Mo. Jan. 14, 2016) (Docket No. 90) (order authorizing debtors to maintain and renew their surety bond program); accord In re Alpha Natural Res., Inc., No. 15-33896 (Bankr. E.D. Va. Aug. 5, 2015 and Sept. 3, 2015) (Docket Nos. 102 and 352) (interim and final orders authorizing debtors to maintain and renew their surety bond program); In re Walter Energy, Inc., No. 15-02741 (Bankr. N.D. Ala. July 16, 2015 and Aug. 19, 2015) (Docket Nos. 69 and 506) (same); In re Patriot Coal Corp., No. 15-32450 (Bankr. E.D. Va. May 14, 2015 and July 30, 2015) (Docket Nos. 84 and 709) (same); In re James River Coal Co., No. 14-31848 (Bankr. E.D. Va. Apr. 10 and May 9, 2014) (Docket Nos. 85 and 250) (same); In re Patriot Coal Corp., No. 12-12900 (Bankr. S.D.N.Y. July 16, 2012 and Aug. 2, 2012) (Docket Nos. 92 and 259) (same).⁶

⁶ Unreported orders cited herein are not attached to this Motion. Copies of these orders will be made available to the Court or other parties upon request made to the Debtors' counsel.

**Request for Authority for Banks to Honor and Pay
Checks and Funds Transfers Related to Amounts Paid Under the Surety Bond Program**

31. In addition, by this Motion, the Debtors request that all applicable banks and other financial institutions (collectively, the "Banks") be authorized, when requested by the Debtors, to receive, process, honor and pay any and all checks presented for payment of and to honor all fund transfer requests made by the Debtors related to the Surety Bond Program, whether such checks were presented or fund transfer requests were submitted prior to or after the Petition Date, provided that sufficient funds are available and standing in the Debtors' credit in the applicable accounts to cover such checks and fund transfers. The Debtors represent that these checks are drawn on identifiable disbursement accounts and can be readily identified as relating directly to the authorized payments of amounts due pursuant to the Surety Bond Program. Accordingly, the Debtors believe that checks other than those relating to authorized payments will not be honored inadvertently. Any such financial institution may rely on the representations of such Debtors as to which checks are issued or wire transfers are made and authorized to be paid in accordance with this Motion without any duty of further inquiry and without liability for relying on such representations.

Requests for Immediate Relief and Waiver of Stay

32. Pursuant to Rules 4001(c), 6003(b) and 6004(h) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), the Debtors seek the entry of orders granting the relief requested by this Motion on an interim and final basis and, to the extent it applies, a waiver of any stay of the effectiveness of such order.

33. Bankruptcy Rule 4001(c) provides that, when presented with a motion for authority to obtain credit, the "court may conduct a hearing before [14 days after service of the motion], but the court may authorize the obtaining of credit only to the extent necessary to avoid

immediate and irreparable harm to the estate pending a final hearing." Fed. R. Bankr. P. 4001(c). Bankruptcy Rule 6003(b) provides, in relevant part, that "[e]xcept to the extent that relief is necessary to avoid immediate and irreparable harm, the court shall not, within 21 days after the filing of the petition, issue an order granting . . . a motion to use, sell, lease or otherwise incur an obligation regarding property of the estate including a motion to pay all or part of a claim that arose before the filing of the petition." Fed. R. Bankr. P. 6003(b). In other words, where the failure to grant any such requested relief would result in immediate and irreparable harm to the Debtors' estates, the Court may authorize the relief prior to the 22nd day following the Petition Date. Bankruptcy Rule 6004(h) provides that "[a]n order authorizing the use, sale, or lease of property other than cash collateral is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise." Fed. R. Bankr. P. 6004(h).

34. As set forth above and in the First Day Declaration, authorizing the Debtors to continue their Surety Bond Program and granting the other relief requested herein is integral to the Debtors' business operations and necessary to maximize the value of the Debtors' estates, and any failure to do so in the ordinary course of business during the first 21 days of their chapter 11 cases would severely disrupt the Debtors' operations at this critical juncture. Accordingly, the Debtors submit that ample cause exists to justify: (a) the immediate entry of an Interim Order granting the interim relief sought herein pursuant to Bankruptcy Rules 4001(c) and 6003(b), to the extent that they apply; and (b) a waiver of the 14-day stay imposed by Bankruptcy Rule 6004(h), to the extent that it applies, with respect to the order.

Reservation of Rights

35. Nothing contained herein or in the proposed Interim Order and Final Order is intended or should be construed as: (a) an admission as to the validity or priority of any claim against the Debtors; (b) a waiver of the Debtors' or any party in interest's rights to dispute

any claim on any grounds; (c) a promise to pay any claim; (d) an implication or admission that any particular claim against the Debtors is a claim arising under the Surety Bond Program; or (e) a request to assume or reject any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code. The Debtors expressly reserve the right to contest any claims related to the Surety Bond Program under applicable bankruptcy and non-bankruptcy law.

Notice

36. Notice of this Motion has been given to: (a) Davis Polk & Wardwell LLP and Bryan Cave LLP as counsel to Citibank, N.A. as Administrative Agent for the First Lien Secured Credit Facility and the Debtors' proposed debtor in possession secured credit facility; (b) Brown Rudnick LLP, as counsel to Wilmington Savings Fund Society, FSB as prospective trustee and collateral agent for the Secured Second Lien Notes; (c) Foley & Lardner LLP, as counsel to Wilmington Trust Company as prospective Indenture Trustee for the Unsecured Notes;⁷ (d) Robinson & Cole LLP, as counsel to U.S. Bank as resigning trustee and collateral agent for the Second Lien Notes, the Unsecured Notes and the Convertible Notes;⁸ (e) counsel to any ad hoc committees; (f) the Debtors' 50 largest unsecured creditors; (g) Mayer Brown LLP, as counsel to PNC Bank, N.A., as Administrator under the Debtors' prepetition accounts receivable securitization facility; (h) the United Mine Workers of America; (i) the Office of the United States Trustee for the Eastern District of Missouri; (j) the Internal Revenue Service; (k) the Securities and Exchange Commission; (l) the United States Department of the Interior; (m) the United States Department of Labor; (n) the United States Attorney's Office for the Eastern

⁷ These include the: (i) 6.00% Senior Notes due November 2018; (ii) 6.50% Senior Notes due September 2020; (iii) 6.25% Senior Notes due September 2021; and the (iv) 7.875% Senior Notes due November 2026.

⁸ These include the: (i) 6.00% Senior Notes due November 2018; (ii) 6.50% Senior Notes due September 2020; (iii) 6.25% Senior Notes due September 2021; (iv) 7.875% Senior Notes due November 2026; and the (v) Convertible Junior Subordinated Debentures due December 2066.

District of Missouri; and (o) Pension Benefit Guaranty Corporation (collectively, the "Notice Parties"). In light of the nature of the relief requested, the Debtors submit that no further notice is necessary.

No Prior Request

37. No prior request for the relief sought in this Motion has been made to this or any other Court in connection with these chapter 11 cases.

WHEREFORE, the Debtors respectfully request that the Court: (i) enter an interim order, substantially in the form submitted to the Court, granting the relief requested herein on an interim basis; (ii) enter a final order, substantially in the form submitted to the Court, granting the relief requested herein; and (iii) grant such other and further relief to the Debtors as the Court may deem just and proper.

Dated: April 13, 2016
St. Louis, Missouri

Respectfully submitted,

/s/ Steven N. Cousins

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*Proposed Attorneys for Debtors
and Debtors in Possession*

SCHEDULE 1

	Debtor's Name	Debtor's EIN Number
1.	Peabody Energy Corporation	13-4004153
2.	American Land Development, LLC	20-3405570
3.	American Land Holdings of Colorado, LLC	26-3730572
4.	American Land Holdings of Illinois, LLC	30-0440127
5.	American Land Holdings of Indiana, LLC	20-2514299
6.	American Land Holdings of Kentucky, LLC	20-0766113
7.	American Land Holdings of New Mexico, LLC	32-0478983
8.	American Land Holdings of West Virginia, LLC	20-5744666
9.	Arid Operations, Inc.	84-1199578
10.	Big Ridge, Inc.	37-1126950
11.	Big Sky Coal Company	81-0476071
12.	Black Hills Mining Company, LLC	32-0049741
13.	BTU Western Resources, Inc.	20-1019486
14.	Caballo Grande, LLC	27-1773243
15.	Caseyville Dock Company, LLC	20-8080107
16.	Central States Coal Reserves of Illinois, LLC	43-1869432
17.	Central States Coal Reserves of Indiana, LLC	20-3960696
18.	Century Mineral Resources, Inc.	36-3925555
19.	Coal Reserve Holding Limited Liability Company No. 1	43-1922737
20.	COALSALES II, LLC	43-1610419
21.	Colorado Yampa Coal Company, LLC	95-3761211
22.	Conservancy Resources, LLC	20-5744701
23.	Cottonwood Land Company	43-1721982
24.	Cyprus Creek Land Company	73-1625890
25.	Cyprus Creek Land Resources LLC	75-3058264
26.	Dyson Creek Coal Company, LLC	43-1898526
27.	Dyson Creek Mining Company, LLC	20-8080062
28.	El Segundo Coal Company, LLC	20-8162824
29.	Empire Land Holdings, LLC	61-1742786
30.	Falcon Coal Company, LLC	35-2006760
31.	Four Star Holdings, LLC	30-0885825
32.	Francisco Equipment Company, LLC	37-1805119
33.	Francisco Land Holdings Company, LLC	36-4831111
34.	Francisco Mining, LLC	30-0922117
35.	Gallo Finance Company, LLC	43-1823616
36.	Gold Fields Chile, LLC	13-3004607
37.	Gold Fields Mining, LLC	36-2079582
38.	Gold Fields Ortiz, LLC	22-2204381
39.	Hayden Gulch Terminal, LLC	86-0719481
40.	Highwall Mining Services Company	20-0010659
41.	Hillside Recreational Lands, LLC	32-0214135
42.	HMC Mining, LLC	43-1875853
43.	Illinois Land Holdings, LLC	26-1865197
44.	Independence Material Handling, LLC	43-1750064
45.	James River Coal Terminal, LLC	55-0643770
46.	Juniper Coal Company, LLC	43-1744675
47.	Kayenta Mobile Home Park, Inc.	86-0773596
48.	Kentucky Syngas, LLC	26-1156957
49.	Kentucky United Coal, LLC	35-2088769
50.	Lively Grove Energy, LLC	20-5752800
51.	Lively Grove Energy Partners, LLC	26-0180403
52.	Marigold Electricity, LLC	26-0180352
53.	Midco Supply and Equipment Corporation	43-6042249
54.	Midwest Coal Acquisition Corp.	20-0217640
55.	Midwest Coal Reserves of Illinois, LLC	20-3960648

	Debtor's Name	Debtor's EIN Number
56.	Midwest Coal Reserves of Indiana, LLC	20-3405958
57.	Midwest Coal Reserves of Kentucky, LLC	20-3405872
58.	Moffat County Mining, LLC	74-1869420
59.	Mustang Energy Company, LLC	43-1898532
60.	New Mexico Coal Resources, LLC	20-3405643
61.	NM Equipment Company, LLC	36-4821991
62.	Pacific Export Resources, LLC	27-5135144
63.	Peabody America, LLC	93-1116066
64.	Peabody Archveyor, L.L.C.	43-1898535
65.	Peabody Arclar Mining, LLC	31-1566354
66.	Peabody Asset Holdings, LLC	20-3367333
67.	Peabody Bear Run Mining, LLC	26-3582291
68.	Peabody Bear Run Services, LLC	26-3725923
69.	Peabody Caballo Mining, LLC	83-0309633
70.	Peabody Cardinal Gasification, LLC	20-5047955
71.	Peabody China, LLC	43-1898525
72.	Peabody Coalsales, LLC	20-1759740
73.	Peabody COALTRADE International (CTI), LLC	20-1435716
74.	Peabody COALTRADE, LLC	43-1666743
75.	Peabody Colorado Operations, LLC	20-2561644
76.	Peabody Colorado Services, LLC	26-3723774
77.	Peabody Coulterville Mining, LLC	20-0217834
78.	Peabody Development Company, LLC	43-1265557
79.	Peabody Electricity, LLC	20-3405744
80.	Peabody Employment Services, LLC	26-3730348
81.	Peabody Energy Generation Holding Company	73-1625891
82.	Peabody Energy Investments, Inc.	68-0541702
83.	Peabody Energy Solutions, Inc.	43-1753832
84.	Peabody Gateway North Mining, LLC	27-2294407
85.	Peabody Gateway Services, LLC	26-3724075
86.	Peabody Holding Company, LLC	74-2666822
87.	Peabody Holdings (Gibraltar) Limited	20-5543587
88.	Peabody IC Funding Corporation	46-2326991
89.	Peabody IC Holdings, LLC	30-0829603
90.	Peabody Illinois Services, LLC	26-3722638
91.	Peabody Indiana Services, LLC	26-3724339
92.	Peabody International Investments, Inc.	26-1361182
93.	Peabody International Services, Inc.	20-8340434
94.	Peabody Investments Corp.	20-0480084
95.	Peabody Magnolia Grove Holdings, LLC	61-1683376
96.	Peabody Midwest Management Services, LLC	26-3726045
97.	Peabody Midwest Mining, LLC	35-1799736
98.	Peabody Midwest Operations, LLC	20-3405619
99.	Peabody Midwest Services, LLC	26-3722194
100.	Peabody Mongolia, LLC	20-8714315
101.	Peabody Natural Gas, LLC	43-1890836
102.	Peabody Natural Resources Company	51-0332232
103.	Peabody New Mexico Services, LLC	20-8162939
104.	Peabody Operations Holding, LLC	26-3723890
105.	Peabody Powder River Mining, LLC	43-0996010
106.	Peabody Powder River Operations, LLC	20-3405797
107.	Peabody Powder River Services, LLC	26-3725850
108.	Peabody PowerTree Investments, LLC	20-0116980
109.	Peabody Recreational Lands, L.L.C.	43-1898382
110.	Peabody Rocky Mountain Management Services, LLC	26-3725390
111.	Peabody Rocky Mountain Services, LLC	20-8162706
112.	Peabody Sage Creek Mining, LLC	26-3730653
113.	Peabody School Creek Mining, LLC	20-3585831

	Debtor's Name	Debtor's EIN Number
114.	Peabody Services Holdings, LLC	26-3726126
115.	Peabody Southwest, LLC	20-5744732
116.	Peabody Southwestern Coal Company, LLC	43-1898372
117.	Peabody Terminal Holding Company, LLC	26-1087861
118.	Peabody Terminals, LLC	31-1035824
119.	Peabody Trout Creek Reservoir LLC	30-0746873
120.	Peabody Twentymile Mining, LLC	26-3725223
121.	Peabody Venezuela Coal Corp.	43-1609813
122.	Peabody Venture Fund, LLC	20-3405779
123.	Peabody-Waterside Development, L.L.C.	75-3098342
124.	Peabody Western Coal Company	86-0766626
125.	Peabody Wild Boar Mining, LLC	26-3730759
126.	Peabody Wild Boar Services, LLC	26-3725591
127.	Peabody Williams Fork Mining, LLC	20-8162742
128.	Peabody Wyoming Gas, LLC	20-5744610
129.	Peabody Wyoming Services, LLC	26-3723011
130.	PEC Equipment Company, LLC	20-0217950
131.	PG INVESTMENTS SIX, L.L.C.	43-1898530
132.	Point Pleasant Dock Company, LLC	20-0117005
133.	Pond River Land Company	73-1625893
134.	Porcupine Production, LLC	43-1898379
135.	Porcupine Transportation, LLC	43-1898380
136.	Riverview Terminal Company	13-2899722
137.	Sage Creek Holdings, LLC	26-3286872
138.	Sage Creek Land & Reserves, LLC	38-3936826
139.	School Creek Coal Resources, LLC	20-2902073
140.	Seneca Coal Company, LLC	84-1273892
141.	Seneca Property, LLC	36-4820253
142.	Shoshone Coal Corporation	25-1336898
143.	Southwest Coal Holdings, LLC	37-1794829
144.	Star Lake Energy Company, L.L.C.	43-1898533
145.	Sugar Camp Properties, LLC	35-2130006
146.	Thoroughbred Generating Company, L.L.C.	43-1898534
147.	Thoroughbred Mining Company LLC.	73-1625889
148.	Twentymile Coal, LLC	95-3811846
149.	Twentymile Equipment Company, LLC	38-3982017
150.	Twentymile Holdings, LLC	38-3937156
151.	United Minerals Company, LLC	35-1922432
152.	West Roundup Resources, LLC	20-2561489
153.	Wild Boar Equipment Company, LLC	32-0488114
154.	Wild Boar Land Holdings Company, LLC	36-4831131

Schedule of Surety Bonds as of April 12, 2016

Exhibit A

Bond #	Mine Name/Issuer	State	Issuer	Obligee	Type	Bond Amount
Third-Party Bonds:						
SUR0024093	BTU WESTERN RESOURCES GEN	WY	ARGONAUT INSURANCE COMPANY	U.S. DEPARTMENT OF THE INTERIOR	LEASE	\$ 8,652,000
SUR0024094	BTU WESTERN RESOURCES GEN	WY	ARGONAUT INSURANCE COMPANY	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT	LEASE	5,039,000
SUR0001908	NARO NORTH TRACT	WY	ARGONAUT INSURANCE COMPANY	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT	LEASE	4,230,000
SUR0001901	HAWTHORN	IN	ARGONAUT INSURANCE COMPANY	INDIANA DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	636,572
SUR0001903	HAWTHORN	IN	ARGONAUT INSURANCE COMPANY	INDIANA DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	138,660
SUR0001902	HAWTHORN	IN	ARGONAUT INSURANCE COMPANY	INDIANA DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	48,708
SUR0032279	WILD BOAR MINE	IN	ARGONAUT INSURANCE COMPANY	THE BOARD OF COMMISSIONERS OF WARRICK COUNTY, INDIANA	ROAD	578,000
SUR0024092	COULTERVILLE SPECIAL ADJ.	MO	ARGONAUT INSURANCE COMPANY	U.S. ARMY CORPS OF ENGINEERS, ST. LOUIS DISTRICT	SUPPLY / PERFORMANCE	8,000
SUR0024091	PATRIOT - GENERAL	IL	ARGONAUT INSURANCE COMPANY	PEOPLE OF THE STATE OF ILLINOIS	WORKERS COMP	8,495,603
800004984	WEST ROUNDUP RESOURCES GEN	WY	ATLANTIC SPECIALTY INSURANCE COMPANY	U.S. DEPARTMENT OF THE INTERIOR	LEASE	5,000
800005012	POWDER RIVER COAL COMPANY	WY	ATLANTIC SPECIALTY INSURANCE COMPANY	UNITED STATES OF AMERICA - DEPARTMENT OF LABOR (FEDERAL BLACK LUNG)	MISCELLANEOUS	50,000
800014753	SOMERVILLE EAST	IN	ATLANTIC SPECIALTY INSURANCE COMPANY	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	400,000
800022107	BEAR RUN MINE	IN	ATLANTIC SPECIALTY INSURANCE COMPANY	SULLIVAN COUNTY BOARD OF COMMISSIONERS	ROAD	150,000
800014739	SOMERVILLE SOUTH - BBCC	IN	ATLANTIC SPECIALTY INSURANCE COMPANY	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	8,600
800004994	ARCLAR	IL	ATLANTIC SPECIALTY INSURANCE COMPANY	PEOPLE OF THE STATE OF ILLINOIS	SUPPLY / PERFORMANCE	100,000
800004943	PATRIOT - GENERAL	WA	ATLANTIC SPECIALTY INSURANCE COMPANY	UNITED STATES OF AMERICA - DEPARTMENT OF LABOR	WORKERS COMP	15,000,000
5011896	FARMERSBURG-BEAR RUN EAST PI	IN	BOND SAFEGUARD	BOARD OF COMMISSIONERS FOR SULLIVAN COUNTY, IN	ROAD	300,000
5011897	FARMERSBURG-BEAR RUN EAST PI	IN	BOND SAFEGUARD	BOARD OF COMMISSIONERS FOR SULLIVAN COUNTY, IN	ROAD	25,000
5011900	FARMERSBURG-BEAR RUN EAST PI	IN	BOND SAFEGUARD	BOARD OF COMMISSIONERS FOR SULLIVAN COUNTY, IN	ROAD	25,000
5011895	WEST ROUNDUP RESOURCES GEN	WY	BOND SAFEGUARD	STATE OF WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY	SUPPLY / PERFORMANCE	9,275
9264500	BIG SKY COAL COMPANY	MT	CNA INSURANCE	UNITED STATES OF AMERICA - DEPARTMENT OF LABOR (FEDERAL BLACK LUNG)	LEASE	10,000
124051610	SAGE CREEK AREA	CO	CNA INSURANCE	U.S. DEPARTMENT OF INTERIOR - COLORADO	LEASE	8,000
9264282	SAGE CREEK AREA	CO	CNA INSURANCE	U.S. DEPARTMENT OF THE INTERIOR	LEASE	7,000
9264472	SAGE CREEK AREA	CO	CNA INSURANCE	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT	LEASE	5,000
124051915	POWDER RIVER COAL COMPANY	WY	CNA INSURANCE	U.S. DEPARTMENT OF INTERIOR	LEASE	5,000
929091475	PDC ACQ. SPECIAL ADJ.	IL	CNA INSURANCE	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	MISCELLANEOUS	25,000
929151494	PHCI	NM	CNA INSURANCE	STATE OF NEW MEXICO	MISCELLANEOUS	25,000
929149631	GALLO FINANCE GENERAL	NM	CNA INSURANCE	STATE OF NEW MEXICO	MISCELLANEOUS	2,500
9264361	BIG SKY COAL COMPANY	MT	CNA INSURANCE	STATE OF MONTANA	PROSPECTING	11,700
9264222	KAYENTA MINE AZ	DC	CNA INSURANCE	U.S. DEPARTMENT OF THE INTERIOR	RECLAMATION	28,304,188
9264224	KAYENTA MINE AZ	DC	CNA INSURANCE	U.S. DEPARTMENT OF INTERIOR	RECLAMATION	18,261,696
9264225	KAYENTA MINE AZ	DC	CNA INSURANCE	U.S. DEPARTMENT OF THE INTERIOR	RECLAMATION	6,261,536
9264241	KAYENTA MINE AZ	DC	CNA INSURANCE	U.S. DEPARTMENT OF THE INTERIOR, OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT	RECLAMATION	5,939,744
124059562	HILLSIDE RECLAIM AREA	IL	CNA INSURANCE	THE PEOPLE OF THE STATE OF ILLINOIS	RECLAMATION	1,812,930
9264180	BIG SKY COAL COMPANY	MT	CNA INSURANCE	MONTANA DEPARTMENT OF ENVIRONMENTAL QUALITY	RECLAMATION	1,569,043
124059772	HILLSIDE RECLAIM AREA	IL	CNA INSURANCE	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	278,563
124059528	HILLSIDE RECLAIM AREA	IL	CNA INSURANCE	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	83,307
9264055	MESA PIT	CO	CNA INSURANCE	ROUTT COUNTY, COLORADO	ROAD	25,000
8205-65-30	TWENTYMILE GENERAL	CO	FEDERAL/CHUBB	U.S. DEPARTMENT OF INTERIOR, BUREAU OF LAND MANAGEMENT	LEASE	82,000
8205-65-07	CABALLO COAL CO.	WY	FEDERAL/CHUBB	STATE OF WYOMING	MISCELLANEOUS	43,000
8205-65-00	COULTERVILLE SPECIAL ADJ.	IL	FEDERAL/CHUBB	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	MISCELLANEOUS	25,000
8205-65-08	POWDER RIVER COAL COMPANY	WY	FEDERAL/CHUBB	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT	MISCELLANEOUS	12,000
8215-48-65	KAYENTA MINE AZ	DC	FEDERAL/CHUBB	U.S. DEPARTMENT OF THE INTERIOR, OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT	RECLAMATION	15,000,000
8205-65-40	HILLSIDE RECLAIM AREA	IL	FEDERAL/CHUBB	PEOPLE OF THE STATE OF ILLINOIS	RECLAMATION	1,327,549
8205-65-39	HILLSIDE RECLAIM AREA	IL	FEDERAL/CHUBB	PEOPLE OF THE STATE OF ILLINOIS	RECLAMATION	60,100
8205-65-41	HILLSIDE RECLAIM AREA	IL	FEDERAL/CHUBB	PEOPLE OF THE STATE OF ILLINOIS	RECLAMATION	38,870
8205-64-29	BLACK BEAUTY COAL COMPANY	IN	FEDERAL/CHUBB	DAVIESS COUNTY BOARD OF COMMISSIONERS	ROAD	100,000
8205-64-23	FARMERSBURG	IN	FEDERAL/CHUBB	SULLIVAN COUNTY BOARD OF COMMISSIONERS	ROAD	10,000
1114753	SCHOOL CREEK MINE	WY	LEXON	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND LEASE	LEASE	7,116,000
1114751	POWDER RIVER COAL COMPANY	WY	LEXON	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND PERMITTING	LEASE	6,393,000
1114747	CABALLO COAL CO.	WY	LEXON	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND LEASE	LEASE	4,054,000
1114749	CABALLO COAL CO.	WY	LEXON	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND LEASE	LEASE	1,204,000
1100023	SAGE CREEK AREA	CO	LEXON	U.S. DEPARTMENT OF THE INTERIOR	LEASE	58,000
1033792	TWENTYMILE GENERAL	CO	LEXON	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT	LEASE	15,000
1015775	WEST ROUNDUP RESOURCES GEN	WY	LEXON	U.S. DEPARTMENT OF THE INTERIOR BUREAU OF LAND WEST ROUNDUP TRACT	LEASE	7,000
1114748	CABALLO COAL CO.	WY	LEXON	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND LEASE	LEASE	5,000
1114750	CABALLO COAL CO.	WY	LEXON	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND LEASE	LEASE	5,000

Exhibit A

Bond #	Mine Name/Issuer	State	Issuer	Obligee	Type	Bond Amount
1114752	WEST ROUNDUP RESOURCES GEN	WY	LEXON	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND LEASE	LEASE	5,000
1114759	GOLD FIELDS MINING CO. GEN	KS	LEXON	KANSAS DEPT OF HEALTH & ENVIRONMENT - BUREAU OF ENVIRONMENTAL REMEDIATION	MISCELLANEOUS	273,500
1114746	PEABODY INVESTMENTS GENERAL	MO	LEXON	STATE OF MISSOURI, OFFICE OF THE SECRETARY OF STATE	MISCELLANEOUS	10,000
1118746	PEABODY INVESTMENTS GENERAL	MO	LEXON	STATE OF MISSOURI, OFFICE OF THE SECRETARY OF STATE	MISCELLANEOUS	10,000
1118750	PEABODY INVESTMENTS GENERAL	MO	LEXON	STATE OF MISSOURI, OFFICE OF THE SECRETARY OF STATE	MISCELLANEOUS	10,000
1005385	PDC ACQ. SPECIAL ADJ.	IL	LEXON	IL DEPT OF NATURAL RESOURCES - OFFICE OF MINES AND MINERALS/DIVISION OF OIL AND GAS	PROSPECTING	25,000
1118756	TWENTYMILE GENERAL	CO	LEXON	COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY	RECLAMATION	10,056,089
1118752	SENECA MINE	CO	LEXON	COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY	RECLAMATION	5,818,456
1118754	MOFFAT COUNTY CO	CO	LEXON	COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY	RECLAMATION	4,621,000
1118755	SAGE CREEK AREA	CO	LEXON	COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY	RECLAMATION	4,420,284
1058006	HILLSIDE MINING LAND AREA	IL	LEXON	ILLINOIS DEPARTMENT OF NATURAL RESOURCES, OFFICE OF MINES AND MINERALS	RECLAMATION	2,797,042
1118753	SENECA MINE	CO	LEXON	COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY	RECLAMATION	2,221,677
1036554	LYNNVILLE #1	IN	LEXON	INDIANA DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	58,000
1118745	BEAR RUN MINE	IN	LEXON	SULLIVAN COUNTY BOARD OF COMMISSIONERS	ROAD	135,000
1016089	VIKING-CORNING PIT	IN	LEXON	DAVIES COUNTY BOARD OF COMMISSIONERS - STATE OF IN	ROAD	125,500
1114758	BEAR RUN MINE	IN	LEXON	SULLIVAN COUNTY BOARD OF COMMISSIONERS	ROAD	107,500
1004678	FARMERSBURG	IN	LEXON	SULLIVAN COUNTY BOARD OF COMMISSIONERS ROAD CUT BOND	ROAD	103,000
1118744	BEAR RUN MINE	IN	LEXON	SULLIVAN COUNTY BOARD OF COMMISSIONERS	ROAD	92,500
1118749	UNITED MINERALS	IN	LEXON	PIKE COUNTY COMMISSIONERS	ROAD	55,000
1002208	FARMERSBURG	IN	LEXON	VIGO COUNTY BOARD OF COMMISSIONERS	ROAD	50,000
1118748	PEABODY INVESTMENTS GENERAL	IN	LEXON	STATE OF INDIANA, DEPT OF TRANSPORTATION PERMIT BOND	ROAD	50,000
1026810	BLACK BEAUTY COAL COMPANY	IN	LEXON	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	40,000
1114760	FRANCISCO MINE - UG	IN	LEXON	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	36,000
1000024	ARCLAR	IL	LEXON	COTTAGE TOWNSHIP	ROAD	25,000
1002207	FARMERSBURG	IN	LEXON	VIGO COUNTY BOARD OF COMMISSIONERS	ROAD	25,000
1003741	WILDCAT HILLS	IL	LEXON	EQUALITY TOWNSHIP HIGHWAY COMMISSIONER	ROAD	25,000
1024604	SOMERVILLE SOUTH - BBCC	IL	LEXON	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	25,000
1016088	VIKING-CORNING PIT	IN	LEXON	DAVIES COUNTY BOARD OF COMMISSIONERS - STATE OF IN	ROAD	20,000
1001236A	PEABODY INVESTMENTS GENERAL	IN	LEXON	WARRICK COUNTY BOARD OF COMMISSIONERS	ROAD	20,000
1015853	ARCLAR	IL	LEXON	EQUALITY TOWNSHIP HIGHWAY COMMISSIONER	ROAD	15,000
1000012	SOMERVILLE NORTH	IN	LEXON	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	10,000
1002205	SOMERVILLE SOUTH - BBCC	IN	LEXON	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	10,000
1016157	AMERICAN LAND HOLDINGS OF IN	IN	LEXON	BOARD OF COMMISSIONERS FOR SULLIVAN COUNTY, IN	ROAD	10,000
1016159	FARMERSBURG-BEAR RUN EAST PI	IN	LEXON	BOARD OF COMMISSIONERS FOR SULLIVAN COUNTY, IN	ROAD	10,000
1016160	FARMERSBURG-BEAR RUN EAST PI	IN	LEXON	BOARD OF COMMISSIONERS FOR SULLIVAN COUNTY, IN	ROAD	10,000
1015578	ARCLAR GENERAL	IL	LEXON	ILLINOIS DEPARTMENT OF TRANSPORTATION	ROAD	7,500
1001237A	PEABODY INVESTMENTS GENERAL	IN	LEXON	WARRICK COUNTY BOARD OF COMMISSIONERS	ROAD	2,000
1118741	BEAR RUN MINE	IN	LEXON	THE DUKE ENERGY COMPANY	SUPPLY / PERFORMANCE	2,743,605
1016117	PEABODY NATURAL GAS	WY	LEXON	USDA FOREST SERVICE PERFORMANCE BOND - PINEY CANYON	SUPPLY / PERFORMANCE	215,500
1021152	SAGE CREEK AREA	CO	LEXON	COLORADO STATE BOARD OF LAND COMMISSIONERS	SUPPLY / PERFORMANCE	2,500
605004846	CABALLO COAL CO.	WY	LIBERTY MUTUAL	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT	LEASE	3,131,000
22037460	BTU WESTERN RESOURCES GEN	WY	LIBERTY MUTUAL	U.S. DEPARTMENT OF THE INTERIOR	LEASE	2,071,000
2204-76-84	PEABODY NATURAL RESOURCES GE	NM	LIBERTY MUTUAL	U.S. DEPARTMENT OF THE INTERIOR	LEASE	1,253,000
2203-74-81	SAGE CREEK AREA	CO	LIBERTY MUTUAL	U.S. DEPARTMENT OF THE INTERIOR	LEASE	162,000
2204-66-21	PEABODY NATURAL GAS	WY	LIBERTY MUTUAL	U.S. DEPARTMENT OF THE INTERIOR	LEASE	160,000
2204-66-19	POWDER RIVER COAL COMPANY	WY	LIBERTY MUTUAL	U.S. DEPARTMENT OF THE INTERIOR	LEASE	9,000
22047691	SAGE CREEK AREA	CO	LIBERTY MUTUAL	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT	LEASE	7,000
2203-74-28	POWDER RIVER COAL COMPANY	WY	LIBERTY MUTUAL	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT	LEASE	5,000
2203-74-29	POWDER RIVER COAL COMPANY	WY	LIBERTY MUTUAL	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT	LEASE	5,000
2203-74-66	BTU WESTERN RESOURCES GEN	WY	LIBERTY MUTUAL	U.S. DEPARTMENT OF THE INTERIOR	LEASE	5,000
605004849	POWDER RIVER COAL COMPANY	WY	LIBERTY MUTUAL	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT	LEASE	5,000
2204-70-94	GOLD FIELDS MINING CO. GEN	KS	LIBERTY MUTUAL	ENVIRONMENTAL PROTECTION AGENCY REGION 7	MISCELLANEOUS	831,600
2204-66-22	GOLD FIELDS MINING CO. GEN	KS	LIBERTY MUTUAL	ENVIRONMENTAL PROTECTION AGENCY REGION 7	MISCELLANEOUS	700,000
22047091	PEABODY INVESTMENTS GENERAL	IN	LIBERTY MUTUAL	THE TRUSTEES OF INDIANA UNIVERSITY	MISCELLANEOUS	200,000
22037414	PEABODY NATURAL RESOURCES GE	NM	LIBERTY MUTUAL	U.S. DEPARTMENT OF THE INTERIOR	MISCELLANEOUS	92,500
2203-74-36	MIDWEST COAL RESERVES OF IL	IL	LIBERTY MUTUAL	ILLINOIS DEPARTMENT OF NATURAL RESOURCES, OFFICE OF MINES AND MINERALS	MISCELLANEOUS	25,000
2204-31-97	MOFFAT COUNTY CO	CO	LIBERTY MUTUAL	STATE OF COLORADO	MISCELLANEOUS	22,678
2203-74-27	AMERICAN LAND DEVELOPMENT-GE	IL	LIBERTY MUTUAL	PEOPLE OF THE STATE OF ILLINOIS	MISCELLANEOUS	15,000

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Bond #	Mine Name/Issuer	State	Issuer	Obligee	Type	Bond Amount
22037410	PEABODY INVESTMENTS GENERAL	MO	LIBERTY MUTUAL	STATE OF MISSOURI	MISCELLANEOUS	10,000
22043190	PEABODY INVESTMENTS GENERAL	MO	LIBERTY MUTUAL	STATE OF MISSOURI	MISCELLANEOUS	10,000
22047090	PEABODY INVESTMENTS GENERAL	MO	LIBERTY MUTUAL	STATE OF MISSOURI	MISCELLANEOUS	10,000
22047686	ARCLAR	IL	LIBERTY MUTUAL	PEOPLE OF THE STATE OF ILLINOIS	MISCELLANEOUS	10,000
2204-31-98	PEABODY INVESTMENTS GENERAL	MO	LIBERTY MUTUAL	STATE OF MISSOURI	MISCELLANEOUS	10,000
2204-76-93	PEABODY INVESTMENTS GENERAL	MO	LIBERTY MUTUAL	STATE OF MISSOURI	MISCELLANEOUS	10,000
22032292	PEABODY INVESTMENTS GENERAL	IN	LIBERTY MUTUAL	STATE OF INDIANA, SECRETARY OF STATE'S OFFICE	MISCELLANEOUS	5,000
22037450	PEABODY INVESTMENTS GENERAL	IL	LIBERTY MUTUAL	ILLINOIS SECRETARY OF STATE	MISCELLANEOUS	5,000
22043187	TWENTYMILE GENERAL	CO	LIBERTY MUTUAL	STATE OF COLORADO, BOARD OF LAND COMMISSIONERS	MISCELLANEOUS	5,000
22043188	PEABODY INVESTMENTS GENERAL	IL	LIBERTY MUTUAL	ILLINOIS SECRETARY OF STATE	MISCELLANEOUS	5,000
22047690	PEABODY INVESTMENTS GENERAL	IL	LIBERTY MUTUAL	ILLINOIS SECRETARY OF STATE	MISCELLANEOUS	5,000
285044720	BLACK BEAUTY COAL COMPANY	IN	LIBERTY MUTUAL	STATE OF INDIANA, SECRETARY OF STATE'S OFFICE	MISCELLANEOUS	5,000
285045532	PEABODY INVESTMENTS GENERAL	IN	LIBERTY MUTUAL	STATE OF INDIANA, SECRETARY OF STATE'S OFFICE	MISCELLANEOUS	5,000
2204-31-80	PEABODY INVESTMENTS GENERAL	IL	LIBERTY MUTUAL	PEOPLE OF THE STATE OF ILLINOIS	MISCELLANEOUS	5,000
2204-76-92	PEABODY INVESTMENTS GENERAL	IN	LIBERTY MUTUAL	STATE OF INDIANA, SECRETARY OF STATE'S OFFICE	MISCELLANEOUS	5,000
2204-98-26	PEABODY INVESTMENTS GENERAL	IN	LIBERTY MUTUAL	STATE OF INDIANA, SECRETARY OF STATE'S OFFICE	MISCELLANEOUS	5,000
2203-23-08	SAGE CREEK AREA	CO	LIBERTY MUTUAL	STATE OF COLORADO DIVISION OF RECLAMATION MINING & SAFETY; DEPARTMENT OF NATURAL RESOURCES	MISCELLANEOUS	4,946
2204-66-20	PEABODY INVESTMENTS GENERAL	KY	LIBERTY MUTUAL	COMMONWEALTH OF KENTUCKY	MISCELLANEOUS	1,000
22043194	GATEWAY MINE	IL	LIBERTY MUTUAL	PEOPLE OF THE STATE OF ILLINOIS	RECLAMATION	49,250
2203-23-39	WILLIAMS FORK AREA	CO	LIBERTY MUTUAL	STATE OF COLORADO DIVISION OF RECLAMATION MINING & SAFETY; DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	31,550
2203-23-35	SAGE CREEK AREA	CO	LIBERTY MUTUAL	STATE OF COLORADO AND THE U.S., OFFICE OF SURFACE MINING AND RECLAMATION AND ENFORCEMENT	RECLAMATION	1,000
2203-23-36	TWENTYMILE GENERAL	CO	LIBERTY MUTUAL	STATE OF COLORADO DIVISION OF RECLAMATION MINING & SAFETY; DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	1,000
22037421	SOMERVILLE - CENTRAL	IN	LIBERTY MUTUAL	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	420,000
22047689	ARCLAR	IL	LIBERTY MUTUAL	BOARD OF SALINE COUNTY	ROAD	200,000
2203-74-31	WILD BOAR MINE	IN	LIBERTY MUTUAL	THE BOARD OF COMMISSIONERS OF WARRICK COUNTY, INDIANA	ROAD	200,000
22037458	AMERICAN LAND HOLDINGS OF IN	IN	LIBERTY MUTUAL	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	100,000
2204-98-28	ARCLAR	IL	LIBERTY MUTUAL	COTTAGE TOWNSHIP	ROAD	100,000
22037420	SOMERVILLE - CENTRAL	IN	LIBERTY MUTUAL	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	90,000
22047092	AMERICAN LAND HOLDINGS OF IN	IN	LIBERTY MUTUAL	SULLIVAN COUNTY BOARD OF COMMISSIONERS	ROAD	60,000
22047093	AMERICAN LAND HOLDINGS OF IN	IN	LIBERTY MUTUAL	SULLIVAN COUNTY BOARD OF COMMISSIONERS	ROAD	60,000
605014013	VIKING-CORNING PIT	IN	LIBERTY MUTUAL	DAVIESS COUNTY BOARD OF COMMISSIONERS	ROAD	59,000
22037459	AMERICAN LAND HOLDINGS OF IN	IN	LIBERTY MUTUAL	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	50,000
2203-74-69	AMERICAN LAND HOLDINGS OF IN	IN	LIBERTY MUTUAL	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	50,000
2203-74-70	AMERICAN LAND HOLDINGS OF IN	IN	LIBERTY MUTUAL	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	50,000
605014012	ARCLAR	IL	LIBERTY MUTUAL	COTTAGE TOWNSHIP	ROAD	50,000
605013999	FARMERSBURG-BEAR RUN EAST PI	IN	LIBERTY MUTUAL	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	40,000
22043192	SOMERVILLE - CENTRAL	IN	LIBERTY MUTUAL	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	25,000
22043193	SOMERVILLE - CENTRAL	IN	LIBERTY MUTUAL	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	25,000
2203-74-32	WILD BOAR MINE	IN	LIBERTY MUTUAL	THE BOARD OF COMMISSIONERS OF WARRICK COUNTY, INDIANA	ROAD	25,000
2204-76-85	SOMERVILLE - CENTRAL	IN	LIBERTY MUTUAL	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	25,000
2203-23-34	WILD BOAR MINE	IN	LIBERTY MUTUAL	THE BOARD OF COMMISSIONERS OF WARRICK COUNTY, INDIANA	ROAD	21,200
22037411	WILD BOAR MINE	IN	LIBERTY MUTUAL	THE BOARD OF COMMISSIONERS OF WARRICK COUNTY, INDIANA	ROAD	12,300
2204-76-88	BEAR RUN MINE	IN	LIBERTY MUTUAL	SULLIVAN COUNTY BOARD OF COMMISSIONERS	ROAD	10,000
605014001	FARMERSBURG-BEAR RUN EAST PI	IN	LIBERTY MUTUAL	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	10,000
605014002	FARMERSBURG-BEAR RUN EAST PI	IN	LIBERTY MUTUAL	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	10,000
605014003	FARMERSBURG-BEAR RUN EAST PI	IN	LIBERTY MUTUAL	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	10,000
605014005	FARMERSBURG-BEAR RUN EAST PI	IN	LIBERTY MUTUAL	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	10,000
605014006	FARMERSBURG-BEAR RUN EAST PI	IN	LIBERTY MUTUAL	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	10,000
605014007	FARMERSBURG-BEAR RUN EAST PI	IN	LIBERTY MUTUAL	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	10,000
22030315	MIDWEST COAL RESERVES OF IN	IN	LIBERTY MUTUAL	THE BOARD OF COMMISSIONERS OF WARRICK COUNTY, INDIANA	ROAD	7,500
22032332	MIDWEST COAL RESERVES OF IN	IN	LIBERTY MUTUAL	THE BOARD OF COMMISSIONERS OF WARRICK COUNTY, INDIANA	ROAD	7,500
22037419	SOMERVILLE SOUTH - BBCC	IN	LIBERTY MUTUAL	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	7,500
22047687	ARCLAR	IL	LIBERTY MUTUAL	SALINE VALLEY CONSERVANCY DISTRICT	SUPPLY / PERFORMANCE	1,000,000
2204-98-24	GOLD FIELDS MINING CO. GEN	IL	LIBERTY MUTUAL	ENVIRONMENTAL PROTECTION AGENCY REGION 5	SUPPLY / PERFORMANCE	300,000
22032300	CABALLO COAL CO.	WY	LIBERTY MUTUAL	STATE OF WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY	SUPPLY / PERFORMANCE	288,000
2204-98-27	PEABODY INVESTMENTS GENERAL	IN	LIBERTY MUTUAL	GIBSON COUNTY DRAINAGE BOARD	SUPPLY / PERFORMANCE	200,000
22046823	PATRIOT - GENERAL	WA	LIBERTY MUTUAL	TRUSTEES OF THE UNITED MINE WORKERS OF AMERICA 1992 BENEFIT PLAN	WORKERS COMP	35,292,816
22043169	PHCI ACQ. SPECIAL ADJ.	IL	LIBERTY MUTUAL	PEOPLE OF THE STATE OF ILLINOIS	WORKERS COMP	10,925,000

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Bond #	Mine Name/Issuer	State	Issuer	Obligee	Type	Bond Amount
22037483	PHCI INCENTIVE	AZ	LIBERTY MUTUAL	THE INDUSTRIAL COMMISSION OF ARIZONA	WORKERS COMP	1,386,363
6675474	POWDER RIVER COAL COMPANY	WY	SAFECO	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT	LEASE	6,032,000
605011825	CABALLO COAL CO.	WY	SAFECO	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT	LEASE	385,000
6423631	NA/RC WEST PIT	WY	SAFECO	UNITED STATES OF AMERICA - DEPARTMENT OF LABOR (FEDERAL BLACK LUNG)	LEASE	5,000
6510647	BLACK BEAUTY COAL COMPANY	IN	SAFECO	STATE OF INDIANA	MISCELLANEOUS	5,000
6601877	BLACK BEAUTY COAL COMPANY	IN	SAFECO	STATE OF INDIANA	MISCELLANEOUS	5,000
6601878	BLACK BEAUTY COAL COMPANY	IN	SAFECO	STATE OF INDIANA	MISCELLANEOUS	5,000
6675473	PEABODY INVESTMENTS GENERAL	IN	SAFECO	STATE OF INDIANA, SECRETARY OF STATE'S OFFICE	MISCELLANEOUS	5,000
6510737	SAGE CREEK AREA	CO	SAFECO	UNITED STATES OF AMERICA - DEPARTMENT OF LABOR (FEDERAL BLACK LUNG)	PROSPECTING	6,000
6197012	KAYENTA MINE AZ	DC	SAFECO	U.S. OFFICE OF SURFACE MINING RECLAMATION & ENFORCEMENT	RECLAMATION	40,000,000
6475577	PEABODY INVESTMENTS GENERAL	IL	SAFECO	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	4,860,938
6475580	PEABODY INVESTMENTS GENERAL	IL	SAFECO	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	3,339,665
6475578	PEABODY INVESTMENTS GENERAL	IL	SAFECO	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	3,141,180
6475583	PEABODY INVESTMENTS GENERAL	IL	SAFECO	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	1,809,000
6475579	PEABODY INVESTMENTS GENERAL	IL	SAFECO	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	1,457,787
6475581	PEABODY INVESTMENTS GENERAL	IL	SAFECO	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	342,390
6628924	PHCI ACQ. SPECIAL ADJ.	IL	SAFECO	THE PEOPLE OF THE STATE OF ILLINOIS	RECLAMATION	25,000
6601853	FARMERSBURG-BEAR RUN EAST PI	IN	SAFECO	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	262,000
6510682	FARMERSBURG	IN	SAFECO	VIGO COUNTY BOARD OF COMMISSIONERS	ROAD	200,000
6675486	WILD BOAR MINE	IN	SAFECO	THE BOARD OF COMMISSIONERS OF WARRICK COUNTY, INDIANA	ROAD	178,500
6675467	AMERICAN LAND HOLDINGS OF IN	IN	SAFECO	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	168,750
6675483	FRANCISCO MINE - UG	IN	SAFECO	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	156,000
6675453	ARCLAR	IL	SAFECO	COTTAGE TOWNSHIP	ROAD	100,000
6675489	BEAR RUN MINE	IN	SAFECO	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	100,000
6675481	WILD BOAR MINE	IN	SAFECO	THE BOARD OF COMMISSIONERS OF WARRICK COUNTY, INDIANA	ROAD	90,000
6628971	BEAR RUN MINE	IN	SAFECO	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	80,000
6510740	SOMERVILLE NORTH	IN	SAFECO	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	75,000
6628927	FARMERSBURG-BEAR RUN EAST PI	IN	SAFECO	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	57,000
6675490	BEAR RUN MINE	IN	SAFECO	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	50,000
6675491	BEAR RUN MINE	IN	SAFECO	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	50,000
6675492	BEAR RUN MINE	IN	SAFECO	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	50,000
6510738	SOMERVILLE NORTH	IN	SAFECO	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	25,000
6628969	VIKING-CORNING PIT	IN	SAFECO	DAVIESS COUNTY BOARD OF COMMISSIONERS	ROAD	16,000
6510739	SOMERVILLE NORTH	IN	SAFECO	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	13,300
6601876	SOMERVILLE NORTH	IN	SAFECO	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	12,500
6628926	BEAR RUN EAST	IN	SAFECO	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	10,000
6628973	BEAR RUN MINE	IN	SAFECO	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	10,000
6628974	BEAR RUN MINE	IN	SAFECO	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	10,000
6628975	BEAR RUN MINE	IN	SAFECO	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	10,000
6675468	BEAR RUN MINE	IN	SAFECO	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	10,000
6675469	BEAR RUN MINE	IN	SAFECO	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	10,000
6675470	BEAR RUN MINE	IN	SAFECO	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	10,000
6675471	BEAR RUN MINE	IN	SAFECO	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	10,000
6675472	BEAR RUN MINE	IN	SAFECO	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	10,000
6675478	BEAR RUN MINE	IN	SAFECO	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	10,000
6628970	COULTERVILLE SPECIAL ADJ.	IL	SAFECO	ILLINOIS DEPARTMENT OF TRANSPORTATION	ROAD	5,000
645100612869	BLACK MESA #1 AZ	DC	TRAVELERS	U.S. DEPARTMENT OF INTERIOR, BUREAU OF INDIAN AFFAIRS	LEASE	41,659,000
104364473	NACC	WY	TRAVELERS	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT	LEASE	9,287,000
105243348	KAYENTA MINE AZ	DC	TRAVELERS	U.S. DEPARTMENT OF INTERIOR, BUREAU OF INDIAN AFFAIRS	LEASE	6,198,000
104176473	FOIDEL CREEK MINE	CO	TRAVELERS	U.S. DEPARTMENT OF THE INTERIOR	LEASE	119,000
105243333	PHCI	WY	TRAVELERS	STATE OF WYOMING	LEASE	100,000
105243356	CABALLO COAL CO.	WY	TRAVELERS	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT	LEASE	26,500
105233401	COTTONWOOD	CO	TRAVELERS	U.S. DEPARTMENT OF THE INTERIOR	LEASE	15,543
645100773118	POWDER RIVER COAL COMPANY	WY	TRAVELERS	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT	LEASE	7,000
104176463	FOIDEL CREEK MINE	CO	TRAVELERS	U.S. DEPARTMENT OF THE INTERIOR	LEASE	5,000
104294174	SAGE CREEK AREA	CO	TRAVELERS	U.S. DEPARTMENT OF THE INTERIOR	LEASE	5,000
104324889	SHOSHONE UNDERGROUND	WY	TRAVELERS	U.S. DEPARTMENT OF THE INTERIOR	LEASE	5,000
104324893	SHOSHONE UNDERGROUND	WY	TRAVELERS	U.S. DEPARTMENT OF THE INTERIOR	LEASE	5,000

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Bond #	Mine Name/Issuer	State	Issuer	Obligee	Type	Bond Amount
104324894	SAGE CREEK AREA	CO	TRAVELERS	UNITED STATES OF AMERICA - DEPARTMENT OF LABOR (FEDERAL BLACK LUNG)	LEASE	5,000
104324895	FOIDEL CREEK MINE	CO	TRAVELERS	U.S. DEPARTMENT OF THE INTERIOR	LEASE	5,000
104324896	SAGE CREEK AREA	CO	TRAVELERS	UNITED STATES OF AMERICA - DEPARTMENT OF LABOR (FEDERAL BLACK LUNG)	LEASE	5,000
104536275	POWDER RIVER COAL COMPANY	WY	TRAVELERS	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT	LEASE	5,000
104674522	POWDER RIVER COAL COMPANY	WY	TRAVELERS	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT	LEASE	5,000
105243312	POWDER RIVER COAL COMPANY	WY	TRAVELERS	U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT	LEASE	5,000
105243321	KAYENTA MINE AZ	DC	TRAVELERS	NAVAJO TRIBAL COUNCIL	LEASE	5,000
105243361	BIG SKY COAL COMPANY	MT	TRAVELERS	STATE OF MONTANA	LEASE	1,000
105934478	ARCLAR	IL	TRAVELERS	ILLINOIS DEPARTMENT OF TRANSPORTATION	MISCELLANEOUS	135,000
3064293	COALSALE/COALTRADE INCENTIVE	MO	TRAVELERS	U.S. CUSTOMS SERVICE	MISCELLANEOUS	100,000
105243332	PEABODY NATURAL GAS	WY	TRAVELERS	STATE OF WYOMING	MISCELLANEOUS	75,000
105243330	WILLOW LAKE	IL	TRAVELERS	ILLINOIS DEPARTMENT OF NATURAL RESOURCES	MISCELLANEOUS	25,000
64S101154876	SUGAR CAMP	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	MISCELLANEOUS	25,000
105246163	SAGE CREEK AREA	CO	TRAVELERS	COLORADO STATE BOARD OF LAND COMMISSIONERS	MISCELLANEOUS	20,000
104700306	AMERICAN LAND DEVELOPMENT-GE	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	MISCELLANEOUS	10,000
105243314	SAGE CREEK AREA	CO	TRAVELERS	COLORADO STATE BOARD OF LAND COMMISSIONERS	MISCELLANEOUS	10,000
105243345	PEABODY RECREATIONAL	CO	TRAVELERS	OFFICE OF LICENSING - OUTFITTERS	MISCELLANEOUS	10,000
106104545	PEABODY INVESTMENTS GENERAL	MO	TRAVELERS	STATE OF MISSOURI	MISCELLANEOUS	10,000
104381972	FOIDEL CREEK MINE	CO	TRAVELERS	STATE OF COLORADO	MISCELLANEOUS	5,000
104700437	PEABODY INVESTMENTS GENERAL	CO	TRAVELERS	STATE OF COLORADO	MISCELLANEOUS	5,000
106104546	PEC EQUIPMENT - GENERAL	IL	TRAVELERS	ILLINOIS SECRETARY OF STATE	MISCELLANEOUS	5,000
106104553	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	ILLINOIS SECRETARY OF STATE	MISCELLANEOUS	5,000
106243033	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF INDIANA, SECRETARY OF STATE'S OFFICE	MISCELLANEOUS	5,000
64S100279315	BLACK BEAUTY COAL COMPANY	IN	TRAVELERS	STATE OF INDIANA	MISCELLANEOUS	5,000
105276528	BLACK BEAUTY COAL COMPANY	IN	TRAVELERS	STATE OF INDIANA	MISCELLANEOUS	4,000
105243315	SENECA	CO	TRAVELERS	COLORADO STATE BOARD OF LAND COMMISSIONERS	MISCELLANEOUS	300
105243364	TWENTYMILE GENERAL	CO	TRAVELERS	STATE OF COLORADO	PROSPECTING	48,292
64S100645389	TWENTYMILE GENERAL	CO	TRAVELERS	STATE OF COLORADO	PROSPECTING	27,833
105243358	BIG SKY COAL COMPANY	MT	TRAVELERS	STATE OF MONTANA	PROSPECTING	25,800
105243366	TWENTYMILE GENERAL	CO	TRAVELERS	STATE OF COLORADO	PROSPECTING	21,725
104176472	FOIDEL CREEK MINE	CO	TRAVELERS	STATE OF COLORADO	PROSPECTING	12,008
104176435	MOFFAT COUNTY CO	CO	TRAVELERS	STATE OF COLORADO	PROSPECTING	8,568
105243353	TWENTYMILE GENERAL	CO	TRAVELERS	STATE OF COLORADO	PROSPECTING	8,427
64S100808384	TWENTYMILE GENERAL	CO	TRAVELERS	STATE OF COLORADO	PROSPECTING	4,579
104304295	FOIDEL CREEK MINE	CO	TRAVELERS	STATE OF COLORADO	PROSPECTING	3,600
104176474	FOIDEL CREEK MINE	CO	TRAVELERS	STATE OF COLORADO AND THE U.S., OFFICE OF SURFACE MINING AND RECLAMATION AND ENFORCEMENT	PROSPECTING	2,670
105243316	TWENTYMILE GENERAL	CO	TRAVELERS	STATE OF COLORADO	PROSPECTING	483
105243318	TWENTYMILE GENERAL	CO	TRAVELERS	STATE OF COLORADO	PROSPECTING	477
105191031	KAYENTA MINE AZ	DC	TRAVELERS	U.S. DEPARTMENT OF THE INTERIOR, OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT	RECLAMATION	28,000,000
105243347	KAYENTA MINE AZ	DC	TRAVELERS	U.S. DEPARTMENT OF THE INTERIOR, OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT	RECLAMATION	27,219,836
105253365	KAYENTA MINE AZ	DC	TRAVELERS	U.S. DEPARTMENT OF THE INTERIOR	RECLAMATION	11,800,000
104991427	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	4,450,440
104536183	KAYENTA MINE AZ	DC	TRAVELERS	U.S. OFFICE OF SURFACE MINING, RECLAMATION & ENFORCEMENT	RECLAMATION	4,105,000
105243359	BIG SKY COAL COMPANY	MT	TRAVELERS	STATE OF MONTANA ON SITE MANAGEMENT	RECLAMATION	3,391,303
104991426	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	2,020,750
104991415	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	1,994,340
104991446	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	1,945,750
104991434	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	1,854,950
104991440	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	1,835,900
104991444	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	1,528,000
104991443	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	1,052,275
104991414	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	676,800
64S100808349	HYDN GULCH	CO	TRAVELERS	STATE OF COLORADO	RECLAMATION	611,691
104674392	HYDN GULCH	CO	TRAVELERS	STATE OF COLORADO	RECLAMATION	592,250
104991437	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	590,520
104991447	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	511,650
104991416	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	178,080
105243327	SAGE CREEK AREA	CO	TRAVELERS	STATE OF COLORADO	RECLAMATION	132,273

Exhibit A

Bond #	Mine Name/Issuer	State	Issuer	Obligee	Type	Bond Amount
104991418	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	106,700
104991436	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	100,000
104991449	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	63,600
104991422	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	55,700
104991452	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	UNION DRAINAGE DISTRICT NO.1 OF GIRARD AND VIRDEN	RECLAMATION	50,000
104991445	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	36,760
104991417	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	28,540
104991406	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	ILLINOIS DEPARTMENT OF NUCLEAR SAFETY	RECLAMATION	25,000
104991450	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	25,000
104991454	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	25,000
104991448	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	23,160
104991438	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	15,870
105243335	KENTUCKY UNITED GENERAL	KY	TRAVELERS	COMMONWEALTH OF KENTUCKY	RECLAMATION	13,100
104991424	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	11,400
104991439	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	10,000
104991441	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	10,000
104991442	PEABODY INVESTMENTS GENERAL	IL	TRAVELERS	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES	RECLAMATION	10,000
105481220	TWENTYMILE GENERAL	CO	TRAVELERS	STATE OF COLORADO	RECLAMATION	382
104734631	FARMERSBURG	IN	TRAVELERS	SULLIVAN COUNTY BOARD OF COMMISSIONERS	ROAD	150,000
104647134	FARMERSBURG - BEAR RUN	IN	TRAVELERS	VIGO COUNTY BOARD OF COMMISSIONERS	ROAD	50,000
105044667	ARCLAR	IL	TRAVELERS	ILLINOIS DEPARTMENT OF TRANSPORTATION	ROAD	50,000
105144609	FARMERSBURG	IN	TRAVELERS	SULLIVAN COUNTY BOARD OF COMMISSIONERS	ROAD	50,000
105246161	ARCLAR GENERAL	IL	TRAVELERS	COTTAGE TOWNSHIP	ROAD	50,000
105243313	FARMERSBURG	IN	TRAVELERS	VIGO COUNTY BOARD OF COMMISSIONERS	ROAD	42,216
64S103095950	BLACK BEAUTY COAL COMPANY	IN	TRAVELERS	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	30,000
64S103188246	BLACK BEAUTY COAL COMPANY	IN	TRAVELERS	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	30,000
105044671	FRANCISCO MINE - UG	IN	TRAVELERS	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	26,000
105044666	SOMERVILLE - CENTRAL	IN	TRAVELERS	TOWN COUNCIL OF THE TOWN OF SOMERVILLE, INDIANA	ROAD	25,000
105244448	WILLOW LAKE	IL	TRAVELERS	COTTAGE TOWNSHIP	ROAD	25,000
105246160	ARCLAR GENERAL	IL	TRAVELERS	COTTAGE TOWNSHIP	ROAD	25,000
105246175	SOMERVILLE	IN	TRAVELERS	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	25,000
64S103374574	SUGAR CAMP	IL	TRAVELERS	EQUALITY TOWNSHIP ROAD COMMISSION	ROAD	25,000
64S104118640	WILDCAT HILLS	IL	TRAVELERS	GALLATIN COUNTY	ROAD	25,000
105246164	BLACK BEAUTY COAL COMPANY	IN	TRAVELERS	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	20,000
64S100854070	BLACK BEAUTY COAL COMPANY	IN	TRAVELERS	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	20,000
64S100956489	AIR QUALITY	IN	TRAVELERS	BOARD OF COMMISSIONERS OF KNOX COUNTY	ROAD	20,000
64S101036923	FRANCISCO	IN	TRAVELERS	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	20,000
105144607	FARMERSBURG	IN	TRAVELERS	SULLIVAN COUNTY BOARD OF COMMISSIONERS	ROAD	10,000
105144608	MIDWEST COAL RESERVES OF IN	IN	TRAVELERS	SULLIVAN COUNTY BOARD OF COMMISSIONERS	ROAD	10,000
105243331	SOMERVILLE	IN	TRAVELERS	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	10,000
105246173	SOMERVILLE	IN	TRAVELERS	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	10,000
105246174	SOMERVILLE	IN	TRAVELERS	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	10,000
64S100729852	AIR QUALITY	IN	TRAVELERS	BOARD OF COMMISSIONERS OF KNOX COUNTY	ROAD	10,000
64S101055890	BLACK BEAUTY COAL COMPANY	IN	TRAVELERS	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	10,000
64S103374316	BLACK BEAUTY COAL COMPANY	IN	TRAVELERS	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	10,000
64S103374320	BLACK BEAUTY COAL COMPANY	IN	TRAVELERS	EQUALITY TOWNSHIP HIGHWAY COMMISSIONER	ROAD	10,000
64S103374538	BLACK BEAUTY COAL COMPANY	IN	TRAVELERS	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	10,000
105246168	FARMERSBURG	IN	TRAVELERS	VIGO COUNTY BOARD OF COMMISSIONERS	ROAD	5,000
105246176	FARMERSBURG	IN	TRAVELERS	VIGO COUNTY BOARD OF COMMISSIONERS	ROAD	5,000
64S101036922	FRANCISCO	IN	TRAVELERS	GIBSON COUNTY BOARD OF COMMISSIONERS	ROAD	5,000
105481219	PEABODY INVESTMENTS GENERAL	WA	TRAVELERS	UNITED STATES OF AMERICA - DEPARTMENT OF LABOR	WORKERS COMP	5,000,000
104304343	TWENTYMILE GENERAL	CO	TRAVELERS	STATE OF COLORADO, DEPARTMENT OF LABOR AND EMPLOYMENT	WORKERS COMP	1,300,000
64S104140933	PEABODY INVESTMENTS GENERAL	IN	TRAVELERS	STATE OF INDIANA	WORKERS COMP	500,000
1000830840	BEAR RUN MINE	IN	US SPECIALTY/HCC	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	42,803
1000830839	BEAR RUN MINE	IN	US SPECIALTY/HCC	BOARD OF COMMISSIONERS OF SULLIVAN COUNTY, INDIANA	ROAD	10,000
9908J4790	COALTRADE INT'L	DC	WASHINGTON INT'L	U.S. DEPARTMENT OF HOMELAND SECURITY	MISCELLANEOUS	50,000
K09007131	PATRIOT - GENERAL	DC	WESTCHESTER FIRE	COMMONWEALTH OF PENNSYLVANIA - DEP	RECLAMATION	11,007,818
K09007179	PATRIOT - GENERAL	DC	WESTCHESTER FIRE	COMMONWEALTH OF PENNSYLVANIA - DEP	RECLAMATION	6,140,998

Exhibit A

Bond #	Mine Name/Issuer	State	Issuer	Obligee	Type	Bond Amount
8940860	KAYENTA MINE AZ	DC	ZURICH AMERICAN	U.S. DEPARTMENT OF THE INTERIOR, OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT	RECLAMATION	46,000,000
4144114	KAYENTA MINE AZ	DC	ZURICH AMERICAN	U.S. DEPARTMENT OF THE INTERIOR, OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT	RECLAMATION	14,300,000
THIRD PARTY BONDED TOTAL						\$ 538,009,169
Self-Bonds:						
SBC140	NA/RC WEST PIT	WY	PEABODY	STATE OF WYOMING - DEPARTMENT OF WATER QUALITY AND LAND QUALITY	RECLAMATION	388,434,000
SBC142	CABALLO COAL CO.	WY	PEABODY	STATE OF WYOMING - DEPARTMENT OF WATER QUALITY AND LAND QUALITY	RECLAMATION	190,136,000
2012-01	LEE RANCH	NM	PEABODY	STATE OF NM, MINING AND MINERALS	RECLAMATION	118,737,953
2012-02	PEABODY NATURAL RESOURCES GE	NM	PEABODY	STATE OF WYOMING - DEPARTMENT OF WATER QUALITY AND LAND QUALITY	RECLAMATION	62,223,730
SBC141	RAWHIDE MINE	WY	PEABODY	STATE OF WYOMING - DEPARTMENT OF WATER QUALITY AND LAND QUALITY	RECLAMATION	76,928,000
SBC143	SCHOOL CREEK MINE	WY	PEABODY	STATE OF WYOMING - DEPARTMENT OF WATER QUALITY AND LAND QUALITY	RECLAMATION	71,367,000
SE-005-42	FARMERSBURG-BEAR RUN EAST PI	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	42,312,660
SE-005-47	WILD BOAR MINE	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	19,791,700
SE-005-16	FRANCISCO	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	17,826,980
SE-005-28	SOMERVILLE SOUTH - BBCC	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	12,119,619
SE-005-43	MILLER CREEK-KNOX PIT	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	10,892,106
ILARCLAR-18	WILLOW LAKE MINE	IL	PEABODY	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES OFFICE OF MINES AND MINERALS LAND RECLAMATION DIVISION	RECLAMATION	8,481,350
SE-005-45	SOMERVILLE - CENTRAL	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	8,295,823
ILARCLAR-05	WILDCAT HILLS	IL	PEABODY	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES OFFICE OF MINES AND MINERALS LAND RECLAMATION DIVISION	RECLAMATION	7,166,764
ILBBCC-12A	RIOLA MINE	IL	PEABODY	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES OFFICE OF MINES AND MINERALS LAND RECLAMATION DIVISION	RECLAMATION	6,721,570
ILARCLAR-24	ARCLAR	IL	PEABODY	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES OFFICE OF MINES AND MINERALS LAND RECLAMATION DIVISION	RECLAMATION	6,269,840
ILARCLAR-23	WILDCAT HILLS-COTTAGE GROVE	IL	PEABODY	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES OFFICE OF MINES AND MINERALS LAND RECLAMATION DIVISION	RECLAMATION	6,094,180
ILARCLAR-16	WILDCAT HILLS-COTTAGE GROVE	IL	PEABODY	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES OFFICE OF MINES AND MINERALS LAND RECLAMATION DIVISION	RECLAMATION	6,079,900
SE-005-14	FARMERSBURG	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	6,070,330
ILARCLAR-20	WILDCAT HILLS-COTTAGE GROVE	IL	PEABODY	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES OFFICE OF MINES AND MINERALS LAND RECLAMATION DIVISION	RECLAMATION	5,873,300
ILARCLAR-22	WILDCAT HILLS-COTTAGE GROVE	IL	PEABODY	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES OFFICE OF MINES AND MINERALS LAND RECLAMATION DIVISION	RECLAMATION	5,555,800
SE-005-36	AIR QUALITY	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	4,769,350
ILARCLAR-10	WILDCAT HILLS	IL	PEABODY	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES OFFICE OF MINES AND MINERALS LAND RECLAMATION DIVISION	RECLAMATION	4,425,091
SE-005-46	AIR QUALITY	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	4,240,000
ILCOULTER-1	GATEWAY MINE	IL	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	3,875,050
SE-005-26	SOMERVILLE NORTH	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	3,815,705
ILARCLAR-17	WILLOW LAKE UNDERGROUND	IL	PEABODY	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES OFFICE OF MINES AND MINERALS LAND RECLAMATION DIVISION	RECLAMATION	3,462,300
SE-005-9	VIKING-CORNING PIT	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	3,397,984
ILARCLAR-06	WILDCAT HILLS	IL	PEABODY	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES OFFICE OF MINES AND MINERALS LAND RECLAMATION DIVISION	RECLAMATION	3,301,902
ILARCLAR-14	WILLOW LAKE MINE	IL	PEABODY	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES OFFICE OF MINES AND MINERALS LAND RECLAMATION DIVISION	RECLAMATION	3,055,240
ILCOULTER-5	GATEWAY MINE	IL	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	2,867,631
SE-008-1	PHCI ACQ. SPECIAL ADJ.	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	2,725,498
ILCOULTER-4	GATEWAY MINE	IL	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	2,703,180
ILCOULTER-7	GATEWAY MINE	IL	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	2,587,500
SE-008-4	PHCI ACQ. SPECIAL ADJ.	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	2,433,100
ILARCLAR-21	WILDCAT HILLS-COTTAGE GROVE	IL	PEABODY	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES OFFICE OF MINES AND MINERALS LAND RECLAMATION DIVISION	RECLAMATION	2,287,330
SE-008-3	PHCI ACQ. SPECIAL ADJ.	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	2,191,976
SE-005-40	FARMERSBURG-BEAR RUN EAST PI	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	2,163,600
ILBBCC-11	RIOLA MINE	IL	PEABODY	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES OFFICE OF MINES AND MINERALS LAND RECLAMATION DIVISION	RECLAMATION	1,760,850
ILGATEWAY-1	GATEWAY MINE	IL	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	1,529,750
ILARCLAR-09	WILDCAT HILLS	IL	PEABODY	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES OFFICE OF MINES AND MINERALS LAND RECLAMATION DIVISION	RECLAMATION	1,375,880
ILARCLAR-11	WILDCAT HILLS	IL	PEABODY	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES OFFICE OF MINES AND MINERALS LAND RECLAMATION DIVISION	RECLAMATION	1,306,518
SE-005-38	FARMERSBURG-BEAR RUN EAST PI	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	1,066,790
ILCOULTER-6	GATEWAY MINE	IL	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	1,014,067
SE-005-41	FARMERSBURG-BEAR RUN EAST PI	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	868,650
SBC129	SHOSHONE GENERAL	WY	PEABODY	STATE OF WYOMING - DEPARTMENT OF WATER QUALITY AND LAND QUALITY	RECLAMATION	795,400
ILARCLAR-19	WILDCAT HILLS-COTTAGE GROVE	IL	PEABODY	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES OFFICE OF MINES AND MINERALS LAND RECLAMATION DIVISION	RECLAMATION	774,806
ILARCLAR-15	WILLOW LAKE MINE	IL	PEABODY	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES OFFICE OF MINES AND MINERALS LAND RECLAMATION DIVISION	RECLAMATION	761,900
ILARCLAR-02	BIG RIDGE MINE	IL	PEABODY	NORTH CAROLINA DEPARTMENT OF ENVIRONMENTAL QUALITY	RECLAMATION	697,590
ILARCLAR-04	EAGLE VALLEY	IL	PEABODY	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES OFFICE OF MINES AND MINERALS LAND RECLAMATION DIVISION	RECLAMATION	613,968
ILARCLAR-08	WILDCAT HILLS	IL	PEABODY	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES OFFICE OF MINES AND MINERALS LAND RECLAMATION DIVISION	RECLAMATION	612,367
SE-005-12	DISCOVERY MINE - UMC	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	396,537
ILBBCC-10A	RIOLA MINE	IL	PEABODY	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES OFFICE OF MINES AND MINERALS LAND RECLAMATION DIVISION	RECLAMATION	361,200
SE-008-2	PHCI ACQ. SPECIAL ADJ.	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	338,700

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ILBBCC-10	RIOLA MINE	IL	PEABODY	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES OFFICE OF MINES AND MINERALS LAND RECLAMATION DIVISION	RECLAMATION	282,830
SE-005-44	FARMERSBURG-BEAR RUN EAST PI	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	234,000
SE-005-1	AIR QUALITY	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	232,000
SE-005-39	FARMERSBURG-BEAR RUN EAST PI	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	202,771
SE-005-17	FRANCISCO MINE - UG	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	186,000
ILBBCC-10B	RIOLA MINE	IL	PEABODY	STATE OF ILLINOIS DEPARTMENT OF NATURAL RESOURCES OFFICE OF MINES AND MINERALS LAND RECLAMATION DIVISION	RECLAMATION	129,280
SE-005-27	ENTERPRISE MINE	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	56,926
SE-005-32	WEST FISHER	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	24,375
SE-005-35	AIR QUALITY	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	20,000
ILCOULTER-2	GATEWAY MINE	IL	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	10,000
SE-008-6	PHCI ACQ. SPECIAL ADJ.	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	10,000
SE-008-8	UNITED MINERALS	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	10,000
SE-005-18	MILLER CREEK-JENLIN PIT	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	8,670
ILCOULTER-3	GATEWAY MINE	IL	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	3,735
SE-005-37	SOMERVILLE EAST	IN	PEABODY	INDIANA DEPARTMENT OF NATURAL RESOURCES DIVISION OF RECLAMATION	RECLAMATION	3,426
SELF BONDED TOTAL						\$ 1,147,370,026
GRAND TOTAL						\$ 1,685,379,195